

ORIGINAL

BEFORE THE
Federal Communications Commission
WASHINGTON, D.C.

JAN - 6 1997

In the Matter of)
)
Amendment of Part I of the Commission's) MD Docket No. 96-186
Rules Pertaining to the Schedule of)
Annual Regulatory Fees for)
Mass Media Services)

DOCKET FILE COPY ORIGINAL

To: The Commission

**JOINT REPLY COMMENTS OF THE
NAMED STATE BROADCASTER ASSOCIATIONS**

The Alabama Broadcasters Association, Arizona Broadcasters Association, Florida Association of Broadcasters, Georgia Association of Broadcasters, Illinois Broadcasters Association, Iowa Broadcasters Association, Kansas Association of Broadcasters, Louisiana Association of Broadcasters, Massachusetts Broadcasters Association, Michigan Association of Broadcasters, Minnesota Broadcasters Association, Missouri Broadcasters Association, Nebraska Broadcasters Association, New Hampshire Association of Broadcasters, Pennsylvania Association of Broadcasters, Utah Broadcasters Association, Washington State Association of Broadcasters and Wyoming Association of Broadcasters (collectively, the "Associations"), by their attorneys and pursuant to Sections 1.415 and 1.419 of the Commission's Rules, 47 C.F.R. §§ 1.415, 1.419, hereby jointly submit reply comments concerning the Commission's Notice of Inquiry ("NOI"), FCC 96-422, in the above-referenced proceeding. At the outset, while the Associations applaud the FCC for taking steps at this time to more fairly allocate regulatory fees among broadcast radio stations, the Associations concur with the National Association of

No. of Copies rec'd
List ANODE

211

Broadcasters ("NAB") that it is inappropriate to impose annual regulatory fees upon radio broadcasters for the costs incurred in carrying out the Commission's "enforcement activities, policy and rule making activities, user information services, and international activities."^{1/}

However, since Congress has required the Commission to collect regulatory fees, the Associations are concerned that the fees be equitable and offer these comments in support of the December 20, 1996 proposal advanced by the NAB.

1. Through the NOI, the Commission has initiated a proceeding to determine if, in FY 1997, it is feasible to utilize a methodology based on market size for assessing annual regulatory fees upon licensees of AM and FM broadcast radio stations. The NOI invited interested parties to comment upon a methodology proposed by the Montana Broadcasters Association ("Montana") and to propose any other methodology for assessing fees that would serve the public interest.

2. On December 20, 1996, the NAB submitted comments which included a database for use in determining radio regulatory fees. As set forth herein, the Associations submit that the NAB proposal constitutes an appropriate refinement of the Montana proposal and an equitable basis for assessing fees. The Commission should adopt a fee schedule based on the NAB proposal in time for use in FY 1997.^{2/}

3. During the last several years the fee schedule used by the Commission has failed

^{1/} See Omnibus Budget Reconciliation Act of 1993, Pub. L. No. 103-66, §6003(a) 107 STAT 312, 397 (adding a new Section 9 to the Communications Act).

^{2/} The New York State Broadcasters Association, Inc. has filed a separate statement in support of the NAB's fee proposal. The Associations further note that the Maine Association of Broadcasters and the Arkansas Broadcasters filed opening comments in response to the NOI observing that the current fee schedule, based solely upon class of station, is inequitable.

to differentiate among radio stations in different size markets. The Commission has recognized this problem. As the NOI describes at paras. 2 and 3, in 1994, 1995 and 1996 the Commission has considered various proposals to more equitably assess fees but none has yet been adopted. The Associations submit that it is certainly time to remedy this problem.

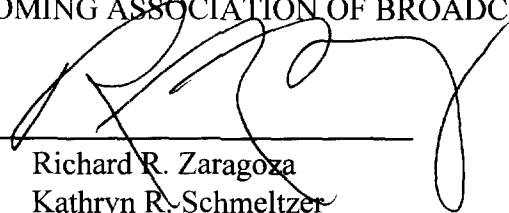
4. While the Montana proposal is based on Arbitron market size, the NAB proposal is based on population. The NAB has submitted a database showing the population served by operating U.S. radio stations and has proposed a fee schedule that the Commission can adopt based on class of service and broad population groupings. This is a workable and fair methodology. Congress has already acted to relieve the annual regulatory burden on small market television stations. The Associations request the Commission to act promptly to reduce the annual regulatory burden on radio stations in FY 1997.

Accordingly, for the reasons set forth above, the Associations support the comments filed in this proceeding by the NAB and urge the Commission to promptly implement the NAB fee proposal.

Respectfully Submitted,

ALABAMA BROADCASTERS ASSOCIATION
ARIZONA BROADCASTERS ASSOCIATION
FLORIDA ASSOCIATION OF BROADCASTERS
GEORGIA ASSOCIATION OF BROADCASTERS
ILLINOIS BROADCASTERS ASSOCIATION
IOWA BROADCASTERS ASSOCIATION
KANSAS ASSOCIATION OF BROADCASTERS
LOUISIANA ASSOCIATION OF BROADCASTERS
MASSACHUSETTS BROADCASTERS ASSOCIATION
MICHIGAN ASSOCIATION OF BROADCASTERS
MINNESOTA BROADCASTERS ASSOCIATION
MISSOURI BROADCASTERS ASSOCIATION
NEBRASKA BROADCASTERS ASSOCIATION
NEW HAMPSHIRE ASSOCIATION OF
BROADCASTERS
PENNSYLVANIA ASSOCIATION OF
BROADCASTERS
UTAH BROADCASTERS ASSOCIATION
WASHINGTON STATE ASSOCIATION OF
BROADCASTERS
WYOMING ASSOCIATION OF BROADCASTERS

By:


Richard R. Zaragoza
Kathryn R. Schmeltzer

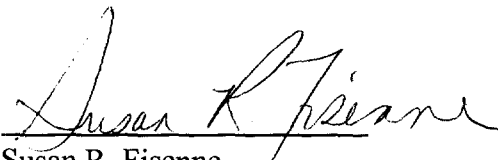
Their Attorneys

Fisher Wayland Cooper Leader & Zaragoza L.L.P.
2001 Pennsylvania Avenue, N.W., Suite 400
Washington, D.C. 20006-1851
(202) 659-3494
Dated: January 6, 1997

CERTIFICATE OF SERVICE

I, Susan R. Fisenne, do hereby certify that I have this 6th day of January, 1997, mailed by first-class United States mail, postage prepaid, copies of the foregoing **"JOINT REPLY COMMENTS OF THE NAMED STATE BROADCASTER ASSOCIATIONS"** to the following:

Henry L. Baumann, Esq.
Jack N. Goodman, Esq.
National Association of Broadcasters
1771 N Street, N.W.
Washington, D.C. 20036


Susan R. Fisenne